

# HOUSE BILL No. 1337

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-12.

**Synopsis:** Veterans deductions. Authorizes the fiscal body of a county to adopt an ordinance to make the property tax deduction available under current law to World War I veterans available instead to veterans of World War II and veterans who served in the Korean Conflict or in the Vietnam Conflict. Authorizes the fiscal body of a county to adopt an ordinance to provide a property tax deduction to the surviving spouses of veterans of World War II and to the surviving spouses of veterans who served in the Korean Conflict or in the Vietnam Conflict that is equivalent to the current property tax deduction for surviving spouses of World War I veterans. Provides that properties remain subject to the deduction following the repeal of a deduction ordinance as long as the owner and the property remain otherwise eligible for the deduction. Specifies that veterans and surviving spouses of veterans may receive multiple property tax deductions based on veteran or surviving spouse status.

**Effective:** July 1, 2015.

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January 13, 2015, read first time and referred to Committee on Ways and Means.

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First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1337

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 6-1.1-12-13, AS AMENDED BY P.L.293-2013(ts),  
2       SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2015]: Sec. 13. (a) Except as provided in section 40.5 of this  
4       chapter, an individual may have twenty-four thousand nine hundred  
5       sixty dollars (\$24,960) deducted from the assessed value of the taxable  
6       tangible property that the individual owns, or real property, a mobile  
7       home not assessed as real property, or a manufactured home not  
8       assessed as real property that the individual is buying under a contract  
9       that provides that the individual is to pay property taxes on the real  
10      property, mobile home, or manufactured home, if the contract or a  
11      memorandum of the contract is recorded in the county recorder's office  
12      and if:  
13          (1) the individual served in the military or naval forces of the  
14          United States during any of its wars;  
15          (2) the individual received an honorable discharge;



(3) the individual has a disability with a service connected disability of ten percent (10%) or more;

(4) the individual's disability is evidenced by:

(A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and

(5) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) One who receives the deduction provided by this section may ~~not~~ receive ~~the a~~ deduction provided by section 14, 16, or 17.4 of this chapter. **However, if the individual is eligible under the appropriate statute. In addition,** the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 2. IC 6-1.1-12-14, AS AMENDED BY P.L.293-2013(ts), SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may



1 have the sum of twelve thousand four hundred eighty dollars (\$12,480)  
 2 deducted from the assessed value of the tangible property that the  
 3 individual owns (or the real property, mobile home not assessed as real  
 4 property, or manufactured home not assessed as real property that the  
 5 individual is buying under a contract that provides that the individual  
 6 is to pay property taxes on the real property, mobile home, or  
 7 manufactured home if the contract or a memorandum of the contract is  
 8 recorded in the county recorder's office) if:

9 (1) the individual served in the military or naval forces of the  
 10 United States for at least ninety (90) days;

11 (2) the individual received an honorable discharge;

12 (3) the individual either:

13 (A) has a total disability; or

14 (B) is at least sixty-two (62) years old and has a disability of at  
 15 least ten percent (10%);

16 (4) the individual's disability is evidenced by:

17 (A) a pension certificate or an award of compensation issued  
 18 by the United States Department of Veterans Affairs; or

19 (B) a certificate of eligibility issued to the individual by the  
 20 Indiana department of veterans' affairs after the Indiana  
 21 department of veterans' affairs has determined that the  
 22 individual's disability qualifies the individual to receive a  
 23 deduction under this section; and

24 (5) the individual:

25 (A) owns the real property, mobile home, or manufactured  
 26 home; or

27 (B) is buying the real property, mobile home, or manufactured  
 28 home under contract;

29 on the date the statement required by section 15 of this chapter is  
 30 filed.

31 (b) Except as provided in subsection (c), the surviving spouse of an  
 32 individual may receive the deduction provided by this section if the  
 33 individual satisfied the requirements of subsection (a)(1) through (a)(4)  
 34 at the time of death and the surviving spouse satisfies the requirement  
 35 of subsection (a)(5) at the time the deduction statement is filed. The  
 36 surviving spouse is entitled to the deduction regardless of whether the  
 37 property for which the deduction is claimed was owned by the  
 38 deceased veteran or the surviving spouse before the deceased veteran's  
 39 death.

40 (c) No one is entitled to the deduction provided by this section if the  
 41 assessed value of the individual's tangible property, as shown by the tax  
 42 duplicate, exceeds one hundred forty-three thousand one hundred sixty



dollars (\$143,160).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

**(e) An individual who receives the deduction provided by this section may receive a deduction provided by section 13, 16, or 17.4 of this chapter if the individual is eligible under the appropriate statute. In addition, the individual may receive any other property tax deduction which the individual is entitled to by law.**

SECTION 3. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that the surviving spouse is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918;
- (2) the deceased spouse received an honorable discharge; and
- (3) the surviving spouse:
  - (A) owns the real property, mobile home, or manufactured home; or
  - (B) is buying the real property, mobile home, or manufactured home under contract;
 on the date the statement required by section 17 of this chapter is filed.

**(b) For an assessment date occurring after December 31, 2015, the fiscal body of a county may adopt an ordinance to provide a deduction to the surviving spouse of a deceased veteran if the following requirements are met:**

- (1) The military service of the deceased veteran satisfies any of the following criteria:**
  - (A) The service of the deceased veteran in the armed forces**



of the United States occurred at any time during the period beginning December 7, 1941, and ending December 31, 1946 (World War II).

(B) The service of the deceased veteran in the armed forces of the United States occurred on the Korean peninsula or on the waters surrounding the Korean peninsula during the period beginning June 27, 1950, and ending January 31, 1955 (Korean Conflict).

(C) The service of the deceased veteran in the armed forces of the United States occurred in the Republic of Vietnam or on the waters surrounding the Republic of Vietnam during the period beginning February 28, 1961, and ending May 7, 1975 (Vietnam Conflict).

(2) The deceased veteran received an honorable discharge.

(3) The surviving spouse of the deceased veteran:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17 of this chapter is filed.

An ordinance adopted under this subsection must provide that the amount of the deduction is equal to the amount of the deduction provided by subsection (a). All recording and other requirements imposed upon the ownership of the surviving spouse's property for a deduction provided under subsection (a) apply to a deduction provided under this subsection.

~~(b)~~ (c) A surviving spouse who receives the deduction provided by this section may ~~not~~ receive the deduction provided by section 13 or 14 of this chapter ~~However, he or she if the surviving spouse is eligible under the appropriate statute. In addition, the surviving spouse~~ may receive any other deduction which ~~he or she the surviving spouse~~ is entitled to by law.

~~(c)~~ (d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(e) A county fiscal body may repeal a deduction ordinance adopted under subsection (b). However, if a county fiscal body



1 **repeals a deduction ordinance, the property of a surviving spouse**  
 2 **that was subject to a deduction under subsection (b) on the**  
 3 **assessment date immediately preceding the date of the repeal of the**  
 4 **deduction ordinance remains subject to the deduction for as long**  
 5 **as the surviving spouse and the property otherwise qualify for the**  
 6 **deduction, notwithstanding the repeal of the deduction ordinance.**

7 SECTION 4. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2014,  
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2015]: Sec. 17. Except as provided in section 17.8 of this  
 10 chapter and subject to section 45 of this chapter, a surviving spouse  
 11 who desires to claim the deduction provided by section 16 of this  
 12 chapter must file a statement with the auditor of the county in which  
 13 the surviving spouse resides. With respect to real property, the  
 14 statement must be completed and dated in the calendar year for which  
 15 the person wishes to obtain the deduction and filed with the county  
 16 auditor on or before January 5 of the immediately succeeding calendar  
 17 year. With respect to a mobile home that is not assessed as real  
 18 property or a manufactured home that is not assessed as real property,  
 19 the statement must be filed during the twelve (12) months before  
 20 March 31 of each year for which the individual wishes to obtain the  
 21 deduction. The statement may be filed in person or by mail. If mailed,  
 22 the mailing must be postmarked on or before the last day for filing. The  
 23 statement shall contain:

24 (1) a sworn statement that the surviving spouse is entitled to the  
 25 deduction; and

26 (2) the record number and page where the contract or  
 27 memorandum of the contract is recorded, if the individual is  
 28 buying the real property on a contract that provides that the  
 29 individual is to pay property taxes on the real property.

30 In addition to the statement, the surviving spouse shall submit to the  
 31 county auditor for the auditor's inspection a letter or certificate from the  
 32 United States Department of Veterans Affairs establishing the service  
 33 of the deceased spouse in the military or naval forces of the United  
 34 States before November 12, 1918, **or, in a county in which an**  
 35 **ordinance has been adopted under section 16(b) of this chapter,**  
 36 **during at least one (1) of the periods specified under section**  
 37 **16(b)(1) of this chapter.**

38 SECTION 5. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,  
 39 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2015]: Sec. 17.4. (a) **As used in this section, "adopting**  
 41 **county" means any Indiana county in which an ordinance**  
 42 **described in subsection (c) is in effect.**



(b) As used in this section, "eligible veteran" refers to an individual whose military service satisfies any of the following criteria:

(1) The individual's service as a member of the armed forces of the United States occurred at any time during the period beginning December 7, 1941, and ending December 31, 1946 (World War II).

(2) The individual's service as a member of the armed forces of the United States occurred on the Korean peninsula or on the waters surrounding the Korean peninsula during the period beginning June 27, 1950, and ending January 31, 1955 (Korean Conflict).

(3) The individual's service as a member of the armed forces of the United States occurred in the Republic of Vietnam or on the waters surrounding the Republic of Vietnam during the period beginning February 28, 1961, and ending May 7, 1975 (Vietnam Conflict).

(c) For an assessment date occurring after December 31, 2015, the fiscal body of a county may adopt an ordinance to make the property tax deduction formerly available under this section to World War I veterans available instead to any eligible veteran.

(a) (d) Except as provided in section 40.5 of this chapter, a World War I ~~an eligible~~ veteran who is a resident of ~~Indiana~~ **an adopting county** is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the **eligible** veteran owns or is buying under a contract that requires the **eligible** veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the **eligible** veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500);

(3) the **eligible** veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; and

(4) the **eligible** veteran:

(A) owns the real property, mobile home, or manufactured





1 home; or  
 2 (B) is buying the real property, mobile home, or manufactured  
 3 home under contract;  
 4 on the date the statement required by section 17.5 of this chapter  
 5 is filed.

6 ~~(b)~~ (e) An individual may not be denied the deduction provided by  
 7 this section because the individual is absent from the individual's  
 8 principal residence while in a nursing home or hospital.

9 ~~(c)~~ (f) For purposes of this section, if real property, a mobile home,  
 10 or a manufactured home is owned by a husband and wife as tenants by  
 11 the entirety, only one (1) deduction may be allowed under this section.  
 12 However, the deduction provided in this section applies if either spouse  
 13 satisfies the requirements prescribed in subsection ~~(a)~~: (d).

14 ~~(d)~~ (g) An individual who has sold real property, a mobile home not  
 15 assessed as real property, or a manufactured home not assessed as real  
 16 property to another person under a contract that provides that the  
 17 contract buyer is to pay the property taxes on the real property, mobile  
 18 home, or manufactured home may not claim the deduction provided  
 19 under this section with respect to that real property, mobile home, or  
 20 manufactured home.

21 (h) **An eligible veteran who receives the deduction provided by**  
 22 **this section may receive a deduction provided by section 13 or 14**  
 23 **of this chapter if the individual is eligible under the appropriate**  
 24 **statute. In addition, the eligible veteran may receive any other**  
 25 **property tax deduction which the individual is entitled to by law.**

26 (i) **A county fiscal body may repeal a deduction ordinance**  
 27 **adopted under subsection (c). However, if a county fiscal body**  
 28 **repeals a deduction ordinance, the property of an eligible veteran**  
 29 **that was subject to a deduction under an ordinance adopted under**  
 30 **subsection (c) on the assessment date immediately preceding the**  
 31 **date of the repeal of the deduction ordinance remains subject to the**  
 32 **deduction for as long as the eligible veteran and the property**  
 33 **otherwise qualify for the deduction, notwithstanding the repeal of**  
 34 **the deduction ordinance.**

35 SECTION 6. [EFFECTIVE JULY 1, 2015] (a) IC 6-1.1-12-13,  
 36 IC 6-1.1-12-14, IC 6-1.1-12-16, IC 6-1.1-12-17, and  
 37 IC 6-1.1-12-17.4, all as amended by this act, apply to assessment  
 38 dates after December 31, 2015.

39 (b) **This SECTION expires January 1, 2018.**

